

RULES OF PROCEDURE

OF THE AUDIT COMMITTEE OF

ALTEO ENERGIASZOLGÁLTATÓ NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG

– consolidated version –

RULES OF PROCEDURE OF THE AUDIT COMMITTEE OF ALTEO ENERGIASZOLGÁLTATÓ NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG

These Rules of Procedure (“**Rules of Procedure**”) contain the provisions regulating the organization and operation of the audit committee (“**Audit Committee**”) of ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság (“**Company**”) as set out in accordance with Act V of 2013 on the Civil Code (“**Civil Code**”) and the Articles of Association of the Company.

1 LEGAL STATUS, DUTIES, POWERS, AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

1.1 Legal status of the Audit Committee

1.1.1 Members of the Audit Committee shall be elected by the General Meeting of the Company (“**General Meeting**”) from among the members of the Supervisory Board of the Company (“**Supervisory Board**”) who are considered independent according to the Civil Code for a term of office equal to the term of their mandate on the Supervisory Board. Members of the Audit Committee may be recalled at any time and re-elected upon the expiry of their mandate.

1.1.2 The Audit Committee has three (3) natural persons as its members.

1.1.3 Members of the Audit Committee are required to act in person; representation by proxy is not allowed for the purpose of the activities of the Audit Committee. Members of the Audit Committee may not be instructed in that capacity by any shareholder of the Company.

1.2 Responsibilities of the Audit Committee

1.2.1 It gives an opinion on individual and consolidated financial statements (“**Financial Statements**”) prepared in accordance with the Accounting Act.

1.2.2 It follows up on the findings and conclusions drawn in the quality control procedure conducted in accordance with Act LXXV of 2007 on the Chamber of Hungarian Auditors, the Activities of Auditors, and on the Public Oversight of Auditors (“**Auditors Act**”) by the authority carrying out the public oversight of auditors as set out in the Auditors Act, considering the audit of the Financial Statements prepared in accordance with the Accounting Act.

1.2.3 It is responsible for selecting the permanent audit firm in a process compliant with Article 16 of Regulation (EU) No 537/2014, and submits a proposal for the permanent audit firm, the permanent auditor and their remuneration.

1.2.4 It arranges for a contract to be concluded with the permanent auditor.

1.2.5 It monitors the enforcement of the professional requirements with respect to the permanent auditor and the requirements related to conflict of interest, performs all tasks of cooperation with the permanent auditor and, when required, submits a proposal to the Supervisory Board to take measures.

1.2.6 It monitors the independence of the permanent auditor and the permanent audit firm, including any other non-audit services they provide to the Company in addition to the audit of the annual report prepared in accordance with the Accounting Act, including, in particular, compliance with the provisions of Article 5 of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

- 1.2.7** It authorizes the non-audit services, other than the non-audit services, referred to in Article 5(1) and (2) of Regulation (EU) No 537/2014 as prohibited, after having assessed and examined the risks such services pose on independence as well as the applied precautionary measures. The Audit Committee has the right to grant prior approval to assignments from the Company management to the permanent auditor of the Company for non-audit services of specific types and below a specific threshold with subsequent or simultaneous notification to the Audit Committee.
- 1.2.8** If necessary, it issues some guidance when, exercising the option under Article 5(3) of the 537/2014 EU Regulation, Hungary permits certain prohibited non-audit services in accordance with the requirements laid down in the Regulation.
- 1.2.9** It discusses with the permanent auditor the factors that impose threats to independence when the permanent auditor informs the Audit Committee that the total auditor fee revenue is higher than 15% of the permanent auditor's revenue for three (3) years. If that happens, the Audit Committee shall consider whether or not to employ another company to perform a quality control assessment of the audit. In such a case the Audit Committee may extend the mandate of the permanent auditor for no more than two (2) years.
- 1.2.10** It monitors the financial reporting process and, if needed, provides recommendations.
- 1.2.11** The Committee also assesses the operation of the financial reporting system and makes proposals for the necessary measures.
- 1.2.12** It supports the Supervisory Board in order to facilitate the appropriate control over the financial reporting system.
- 1.2.13** It monitors the efficiency of the internal control and risk management system and, if needed, provides recommendations.
- 1.2.14** It decides or acts on any other issues falling within the competence of the Audit Committee under the applicable laws or the Articles of Association.
- 1.2.15** With regard to proposals from the General Meeting, the Audit Committee is required to prepare written reports on its findings on matters for which it is responsible, by no later than the publication date of such proposals, and the Chair of the Audit Committee or, if the Chair is unable to attend, another Audit Committee member is required to present the content of such reports to a reasonable extent at the General Meeting upon request from shareholder(s).
- 1.3** Powers of the Audit Committee
- 1.3.1** The Audit Committee elects a Chair from among its members. In the absence of the Chair, the meeting shall be chaired by the person appointed by the Audit Committee.
- 1.3.2** The Audit Committee defines its own rules of procedure, which are then approved by the General Meeting.
- 1.3.3** The members of the Audit Committee, who are also members of the Supervisory Board, attend sessions of the General Meeting in a consultative capacity.
- 1.3.4** The Audit Committee may delegate certain tasks to any of its members, and audit responsibilities may be allocated among its members on a permanent basis. Sharing audit responsibilities shall be without prejudice to the liability of Audit Committee members or their right to extend the audit to cover other activities within the responsibilities of the Audit Committee.

1.3.5 The Audit Committee has the right to request information from members of the Company's Board of Directors or executive employees of the Company. When requested in writing, the respective parties are required to respond as set out in the Articles of Association. The Audit Committee may propose that the Supervisory Board use an expert within the scope and in the manner provided for in the Articles of Association.

2 THE FUNCTIONING OF THE AUDIT COMMITTEE

2.1 Frequency and rules of convening of Audit Committee meetings

2.1.1 The functioning of the Audit Committee is governed by a work plan ("**Work Plan**"). The Audit Committee shall prepare the Work Plan by December 31 of the year preceding the relevant year, and may amend it during the year as necessary. The Audit Committee meets as required, on the dates set out in its Work Plan, but at least every 3 (three) months. As a general rule, the Audit Committee holds its meetings together with the Supervisory Board.

2.1.2 The Chair of the Audit Committee convenes and presides over the meetings of the Audit Committee. The Chair of the Audit Committee or the person called upon from among the employees of the Company by the Chair to act as secretary ensures that the written "Invitations" containing the agenda for the Audit Committee meeting and the proposals related to agenda items are prepared and delivered to Audit Committee members and to stakeholders (external invitees) concerned by the agenda items at least 3 (three) business days before the Audit Committee meeting. In addition to the agenda, invitations must include the exact time and place of the meeting. Proposals must also be attached to the invitations.

2.1.3 Any member of the Audit Committee may request from the Chair in writing, by stating the reason and purpose, that a meeting be convened, and the Chair shall, within eight (8) days of receiving such request, arrange for the Audit Committee to meet within fifteen (15) days. Should the Chair fail to comply with the request, the member is entitled to convene the meeting themselves.

2.1.4 The Audit Committee is entitled to hold a meeting even if it has not been duly convened, provided that all members of the Audit Committee are present and do not object to the meeting.

2.1.5 In addition to Audit Committee members, ad hoc invitees also attend Audit Committee meetings, including external expert(s) used by the Audit Committee as per the agenda as well as permanent invitees, i.e. the employee acting as secretary for the Audit Committee, the member of the Company's Board of Directors entitled to hold the title of CEO and the Company's Chief Financial Officer. The Chair of the Audit Committee ensures that the auditor of the Company is notified of the meeting being convened, and provides the auditor the opportunity to attend the meetings.

2.1.6 The Audit Committee may involve external expert(s) in issues within its responsibilities pertaining to the categories of matters set out in Section 1.3.5. Management is required to comply with the Audit Committee's request to involve external expert(s). The Audit Committee adopts a resolution on involving external expert(s), based on which the CEO of the Company arranges for the conclusion of the appropriate contract.

2.2 Quorum and passing of decisions and resolutions by the Audit Committee

2.2.1 The Audit Committee has quorum if at least 2 (two) members are present at a meeting of the Audit Committee. In the event of a lack of quorum, a new Audit Committee meeting

must be convened within three days, as specified in Section 2.1, with the proviso that in this case it is sufficient to send the Audit Committee members the invitation to the repeated meeting. The rules applicable to the original meeting shall apply to the quorum of the reconvened meeting.

2.2.2 The Audit Committee adopts its decisions and resolutions by a simple majority of the votes of the members present. The Chair of the Audit Committee does not have a casting vote. In the event of a tied vote, the draft resolution is deemed to have been rejected.

2.2.3 During the conference meetings set out in Section 2.5, Audit Committee members have the right to participate in Audit Committee meetings by telephone or other means of communication that allows Audit Committee members to hear each other.

2.2.4 If a member of the Audit Committee is unable to attend a meeting of the Audit Committee, they may cast their vote on an agenda item in advance, in writing by electronic mail, before the opening of the meeting, in which case the absent Audit Committee member must be taken into account for the purposes of the quorum, and their votes must be accepted as validly cast, which fact must be recorded in the minutes of the meeting.

2.3 Passing of resolutions without a meeting

The Audit Committee is entitled to pass resolutions in writing without holding a meeting. In this case, the Chair of the Audit Committee or the Audit Committee member submitting the draft resolution, after consulting the Chair of the Audit Committee, submits the draft resolution to all Audit Committee members in writing, together with the proposal on which the draft resolution is based. Each member of the Audit Committee returns to the Chair of the Audit Committee or the proposing Audit Committee member, by no later than within 3 (three) business days from the date of receipt, (i) the signed written draft resolution if accepted, or (ii) the written reasons for rejecting the draft resolution if rejected. Audit Committee members are also entitled to cast their votes on the proposal by electronic mail. In urgent cases, the three (3) business day deadline may be shortened and the written vote may be taken by sending the signed draft resolution or the rejection with justification by electronic mail to all Audit Committee members. The terms of quorum and the proportion of votes required for a decision are governed by the provisions of Section 2.2, with the exception that the procedure to adopt a resolution is effective if at least as many votes are sent as the number of Audit Committee members with voting rights would be needed to be present for quorum if a meeting were held.

2.4 Extraordinary meeting

In urgent cases, any member of the Audit Committee may request the Chair in writing (by post or via email), stating the reason and purpose, that an extraordinary meeting be convened, and the Chair shall arrange to convene the extraordinary meeting within 3 (three) calendar days. The Chair of the Audit Committee ensures that the invitations, the proposals and related materials are delivered to the members of the Audit Committee (and to external invitees), if possible, at least 24 (twenty-four) hours before the extraordinary meeting of the Audit Committee. The terms of quorum and the proportion of votes required for a decision are governed by the provisions of Section 2.2.

2.5 Conference meeting

If a member of the Audit Committee is prevented from attending, the meeting and the extraordinary meeting may also be held in a manner where the member does not participate in the meeting directly in person, but by means of an electronic telecommunication device that allows dialogue and discussion between members without restrictions, which gives the opportunity to

exercise rights equivalent to personal participation (conference meeting). No electronic telecommunication device may be used in the conduct of a conference meeting, nor may the meeting be held under conditions which do not permit the identification of the participants in the conference meeting, nor may conditions be applied which result in discrimination against any member.

At conference meetings, the Chair asks members, after the proposals or other comments have been made, whether they wish to speak on the previous proposals or comments, in order to ensure that their right to make proposals and to speak is enforced. At conference meetings, resolutions are adopted by the Chair calling upon the members to vote, and they cast their votes (i) by a show of hands and the announcement of their vote if a camera is used (ii) by stating their name and vote if no camera is used. The conference meeting can be held in a hybrid format, i.e. with some members attending in person and others attending by means of a telecommunication device, or it can be held by way of telecommunication devices only.

The proceedings of the conference meeting and the resolutions adopted must be recorded in a manner ensuring subsequent verifiability. If an audio or video recording is made of the proceedings of the meeting, the resolutions adopted at the meeting must be set in an extract of the minutes based on such recording, which is authenticated by the members present at the meeting.

2.6 Minutes

The minutes of the Audit Committee meeting, whether on paper or in electronic format, must be recorded and kept by the person elected at the meeting and authenticated by the designated member of the Audit Committee by signature. The minutes state the place and date of the meeting, list the names of those present, indicating their participation rights, the items on the agenda, include the statements made, the proportion and result of the vote, the resolutions adopted and, if so requested, any minority or dissenting opinions maintained after the adoption of the resolution. After the meeting of the Audit Committee, the minutes are sent by the keeper of the minutes to all members of the Audit Committee who attended the meeting by no later than the 5th (fifth) business day following the meeting, and the attendees may make their comments within 5 (five) business days of receipt of the draft minutes. The minutes are finalized by the keeper of the minutes based on the comments received, and signed (electronically) together with the authenticator of the minutes at the following meeting. The minutes of the meetings of the Audit Committee are kept at the registered office of the Company, and copies are made available to the members of the Audit Committee upon request.

3 ENTRY INTO FORCE OF THE RULES OF PROCEDURE

The effective date of the Rules of Procedure is the date on which the resolution approving the Rules of Procedure is adopted by the General Meeting of the Company.

Signature page follows.

Budapest, _____, 2024

Dr. Ákos Székely

Márton Oláh

Péter Kaderják

Disclaimer: All information contained within this article is for information purposes only, and shall not be considered an official translation of the official communication referred to herein. This document does not include the integral wording of the official communication referred to herein, the original Hungarian language version of it remains to be the solely legally binding material in the subject matter. For further information, please do not hesitate to contact us.